

Committee: **Audit Committee**

Date of meeting: **19th November 2019**

Report Subject: **Annual Governance Statement**

Portfolio Holder: **Cllr Nigel Daniels, Leader / Executive Member
Corporate Services**

Report Submitted by: **Rhian Hayden – Chief Officer Resources
Louise Rosser – Head of Internal Audit**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
19/09/2019	01/10/2019		19.11.19					

1. **Purpose of the Report**
 - 1.1 To present to the Audit Committee the final Annual Governance Statement (AGS) for 2018/19 (attached at Appendix A).

2. **Scope and Background**
 - 2.1 The report provides the AGS for 2018/19, providing an assessment of the effectiveness of the Authority’s governance arrangements.

 - 2.2 Responsibility for reviewing the Annual Governance Statement has been delegated to the Audit Committee as ‘those charged with Governance’. However, as is appropriate, the statement has been reviewed by the Corporate Leadership Team (CLT) in line with the principles of good governance, confirming that it reflects their understanding of the governance arrangements in place for Blaenau Gwent County Borough Council during the 2018/19 financial year.

 - 2.3 The statement is collated following an evidence gathering exercise which calls upon a number of sources including:
 - Internal and External Regulatory Reports
 - Senior Manager Assurance Statements
 - Annual Report of the Head of Internal Audit
 - An Evidence Framework illustrating how the Authority complies with the core principles of the Code of Governance.

 - 2.4 The draft statement was presented to and approved by this Committee in June. The statement has now been updated to reflect the current position.

3. **Options for Recommendation**
 - 3.1 The Audit Committee consider and challenge the content of the AGS ensuring it is consistent with their knowledge and understanding of the wider issues affecting the Council.

3.2 The Audit Committee may then choose to:

Option 1

Approve and adopt the AGS

Option 2

Propose amendments / alterations to the AGS.

Option3

Not approve the AGS.

4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

4.1 Production of an AGS assists the Authority in achieving its Corporate Plan Priority of Efficient Council by providing an assessment of the governance arrangements in place for Blaenau Gwent CBC.

4.2 Under the Accounts and Audit Regulations (Wales) 2014, the Authority is required to produce an Annual Governance Statement to accompany the Statement of Accounts.

5. **Implications Against Each Option**

5.1 Impact on Budget (short and long term impact)

There are no direct financial implications arising from the production of the AGS.

5.2 Risk including Mitigating Actions

Options 1 and 2 are compliant with the requirements of the Accounts and Audit Regulations (Wales) 2014. Option 3 would result in non-compliance with these regulations and could result in the external auditor giving a modified opinion on the Statement of Accounts and additional regulatory work could be undertaken at a cost.

5.3 Legal

There are no direct legal implications arising from the production of the AGS.

5.4 Human Resources

The production of the AGS involves the investment of Senior Management time from across the Authority. The commitment is met from existing resources.

6. **Supporting Evidence**

6.1 Performance Information and Data

The production of the AGS sits within the governance framework of the Authority.

6.1.1

The AGS is produced within the timeframes required for production of the Statement of Accounts, as required by the Accounts and Audit Regulations (Wales) (Amendment) 2018.

6.2 Expected outcome for the public

The AGS sets out how the Council's governance framework has operated for the ultimate benefit of the citizens of Blaenau Gwent.

6.3 Involvement (consultation, engagement, participation)

The AGS informs the reader of the Authority's consultation and engagement activities during 2018/19.

6.4 Thinking for the Long term (forward planning)

The AGS does not have any direct implication for 'Thinking for the Long Term'. The statement provides a comparison of the governance activity for 2018/19 with the Code of Governance and identifies development activities for 2019/20.

6.5 Preventative focus

The AGS outlines how the Authority's governance arrangements have operated in the context of risk management and internal control.

6.6 Collaboration / partnership working

The AGS acknowledges the Authority's collaborative working approach as part of the Blaenau Gwent Public Service Board.

6.7 Integration(across service areas)

Officers from all directorates have contributed to the production of the AGS and the document reflects a whole Authority perspective.

6.8 EglA(screening and identifying if full impact assessment is needed)

The production of the AGS has a neutral impact against people or groups from the nine protected characteristics.

7. **Monitoring Arrangements**

- 7.1 The AGS provides the assessment of the Authority's governance framework against the Code of Governance. Recommendations for development are made in the statement and will be actioned throughout the year. Progress against these recommendations will be included in the 2019/20 AGS.

Background Documents /Electronic Links

- Appendix A – Annual Governance Statement
- Code of Governance